

Office of Chief Counsel
Internal Revenue Service
Memorandum

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date: January 9, 2007

to: Director, Submission Processing
Covington, KY
Attn: Entity Unit

from: Office of Division Counsel/Associate Chief Counsel
Tax Exempt & Government Entities

subject: Railroad Retirement Tax Act Status

In accordance with the coordination procedure established between the Service and the Railroad Retirement Board (RRB), the RRB has provided us with its opinion that the following business became an employer under the Railroad Retirement Act and the Railroad Unemployment Insurance Act as of _____, the date it began operations:

We have reviewed the opinion of the RRB and, based upon the information submitted to us by the RRB, we also conclude that _____ became an employer under the Railroad Retirement Tax Act as of _____, the date it began operations.

However, we note that the opinion indicates that _____ may be
compensating its employees under the name of a sister company,
Please take the appropriate action regarding this business.

Janine Cook